

## REMARKS

### *Drawing Rejections*

Applicant will submit formal drawings in response to a notice of allowance.

### *Allowed claims*

Claims 22-30 have been allowed in their present form. Applicant respectfully accepts this allowance. Claims 8-16 were determined to be allowable over the prior art, but were objected to for being dependent upon a rejected base claim. Applicant canceled claim 8 and asserts that the remaining claims 9-16 are allowable in view of the amendments of the relevant base claims presented herein.

### *§102 Rejections*

Pending claims 1-7, 17-21 and 31-34 were rejected under 35 U.S.C. §102(b), as being anticipated by U.S. Patent No. 5,975,865 of Manabe ("Manabe").

In a telephone interview, Applicant's undersigned attorney discussed Manabe and other prior art references with the Examiner. Pursuant to this interview, Applicant has submitted a listing of claims including amendments to independent claims 1 and 31 (and related dependent claims) that more clearly recite novel features of the invention that are not found in any of the prior art. Specifically, the amended claims recite a control system that is used to monitor water conditions and control the operation of the energy converter based on the monitored water conditions by selectively controlling the flow of pressurized fluid in the wave energy converter (claim 1); and the related ability to monitor water conditions and automatically adjust the energy conversion process based on the monitored water conditions by selectively controlling the flow of fluid through a hydraulic generator (claim 31).

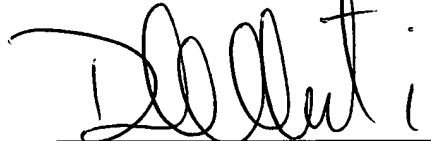
CONCLUSIONS

For all of these reasons, Applicant respectfully asserts that all pending claims 1, 3-7 and 9-33 are in condition for allowance. The Examiner's early reconsideration is respectfully requested. If the Examiner has any questions, the Examiner is invited to contact Applicant's attorney at the following address or telephone number:

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Respectfully submitted,

**Gray Cary Ware & Freidenrich LLP**

A handwritten signature in black ink, appearing to read 'D. Alberti', is written over a horizontal line.

David Alberti  
Reg. No. 43,465

Dated: July 9, 2004

Attorney for Applicant(s)